

Act made part of contract with bondholders.

Right of mandamus.

Bonds validated.

Recital in bonds that they are issued under this Act.

Bonds have superior lien on revenue of undertaking.

Subordinate liens.

Bonds not a general obligation of municipality.

therefrom in the same manner as the municipality itself might do. The provisions of this act and any such resolution or resolutions shall be a contract with the holder or holders of said bonds, and the duties of the municipality and of its governing body and officers under this act and any such resolution or resolutions shall be enforceable by any bondholder, by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

SEC. 7. *Validity of Bonds.* Said bonds bearing the signature of officers in office on the date of the signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof and payment therefor any or all the persons whose signatures appear thereon shall have ceased to be officers of the municipality issuing the same. The validity of said bonds shall not be dependent on nor affected by the validity or regularity of any proceedings relating to the acquisition, purchase, construction, reconstruction, improvement, betterment, or extension of the undertaking for which said bonds are issued. The resolution authorizing said bonds may provide that the bonds shall contain a recital that they are issued pursuant to the act, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

SEC. 8. *Lien of Bonds.* All bonds of the same issue shall, subject to the prior and superior rights of outstanding bonds, claims or obligations, have a prior and paramount lien on the revenue of the undertaking, for which said bonds have been issued, over and ahead of all bonds of any issue payable from said revenue which may be subsequently issued and over and ahead of any claims or obligations of any nature against said revenue subsequently arising or subsequently incurred. All bonds of the same issue shall be equally and ratably secured without priority by reason of number, date of bonds, of sale, of execution or of delivery, by a lien on said revenue in accordance with the provisions of this act and the resolution or resolutions authorizing said bonds. All bonds issued under this act shall have a junior and subordinate lien on the revenue of the undertaking under and secondary to outstanding bonds issued to finance in whole or in part the acquisition, purchase, or construction of such undertaking, where any part of such revenues are by other laws required to be applied to the payment of the principal or interest of such outstanding bonds.

SEC. 9. *Bonds Not a General Obligation of Municipality.* No holder or holders of any bonds issued under this act shall ever have the right to compel any exercise of taxing power of the municipality to pay said bonds or the interest thereon.